

Jefferson County Public Service District

8 November 2010

Water Docket
Environmental Protection Agency
Mailcode: 28221T
1200 Pennsylvania Ave., NW.
Washington, DC 20460.

NOV 16 2010

Re: Docket Number EPA-R03-OW-2010-0736
Clean Water Act Section 303(d): Notice for the Public Review of the Draft Total Maximum Daily Load (TMDL) for the Chesapeake Bay (Document ID EPA-R03-OW-2010-0736-0001)

Please consider this letter a comment submission on the above referenced notice.

The Board of the Jefferson County Public Service District (JC PSD) supports the following:

- 1) A transparent and accessible framework for regional or inter-state water quality trading and nutrient offset provision must be developed. USEPA must take a leading role in assuring that a credible, defensible and efficient system is available to point source permit holders.
- 2) In the case of new sources the offset system must distinguish between the contractual or regulatory commitment of a point-source to acquire offsets for new loads and the actual purchase of the offsets as they are needed. Requiring the upfront full identification, purchase and offset of nutrient loads that are part of a facility modification and design flow expansion that may take years to fully utilize unfairly penalizes utility rate payers. Good financial and environmental accountability are more reasonably met through the laddering and mixing of offset sources over time in a way sufficient to assure annual compliance. Over-purchasing upfront simply increases costs to both the purchasing point-source customer base and any competing point-sources and defeats the market sensibility of the concept.
- 3) The high "backstopping" provisions on point sources implemented by USEPA in response to West Virginia's WIP deficiencies are counter-productive and should be withdrawn. Requiring nutrient reductions to the limits of technology will add tens of millions of dollars to capital upgrade project costs and future operating expense in rural communities with minimal impact in incremental nutrient reduction. If the most aggressive mass loading reductions prove to be necessary in the future, barring a local WQS limit, point sources should be able to seek landscape or non-point offsets to meet the cap as the more cost effective and environmentally consistent approach to the problem. Requiring limit of technology treatment to reduce nutrients dramatically increases energy costs, may increase GHG footprints, and diverts community financial investment that might be more efficiently used in non-structural practices.
- 4) Federal funding for public utility point source upgrades must include grant or negative interest loans that are specifically dedicated to Chesapeake Bay restoration outcomes.

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Thank you for the opportunity to provide comments

A handwritten signature in black ink, appearing to read "Joe A. Hankins". The signature is fluid and cursive, with a large initial "J" and a distinct "A".

Joseph A. Hankins

Board Chairman

Jefferson County Public Service District